

**CENTRALIZED AUTHORIZATION AND FRAUD-PREVENTION  
SYSTEM FOR NETWORK-BASED TRANSACTIONS**

**Abstract**

A system and method for authorizing certain aspects of network based transactions between a customer and a merchant is disclosed. The system utilizes an account code for identifying rights to use an account identified by an account number, and a database for storing the account number, account code, and a Signature Phrase. The Signature Phrase is stored when rights to use the account have been positively identified. The customer can complete an e-commerce transaction using the customer's account by providing a Signature Phrase without the Signature Phrase or account code actually residing in the database or being provided to the merchant. The account code, account number, and Signature Phrase may be received through one or more external interfaces with the customer. In some embodiments, the database stores the account number, account code, and the Signature Phrase in a hashed format.

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